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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

LATAM Airlines Group S.A., *et al.*,

Debtors.¹

Chapter 11

Case No.: 20-11254 (JLG)

Jointly Administered

Related Docket Nos. 2501, 2750

**NOTICE OF ADJUSTMENT TO THE TIMING OF CAPITAL
REDUCTIONS AUTHORIZED BY THE ORDER AUTHORIZING
THE DEBTORS TO USE PROPERTY OF THE DEBTORS' ESTATES IN
CONNECTION WITH A RECAPITALIZATION OF LATAM AIRLINES PERÚ, S.A.**

PLEASE TAKE NOTICE that on May 26, 2020 (the “Initial Petition Date”),

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's tax identification number (as applicable), are: LATAM Airlines Group S.A. (59-2605885); Lan Cargo S.A. (98-0058786); Transporte Aéreo S.A. (96-9512807); Inversiones Lan S.A. (96-5758100); Technical Training LATAM S.A. (96-847880K); LATAM Travel Chile II S.A. (76-2628945); Lan Pax Group S.A. (96-9696800); Fast Air Almacenes de Carga S.A. (96-6315202); Línea Aérea Carguera de Colombia S.A. (26-4065780); Aerovías de Integración Regional S.A. (98-0640393); LATAM Finance Ltd. (N/A); LATAM-Airlines Ecuador S.A. (98-0383677); Professional Airline Cargo Services, LLC (35-2639894); Cargo Handling Airport Services LLC (30-1133972); Maintenance Service Experts LLC (30-1130248); Lan Cargo Repair Station LLC (83-0460010); Prime Airport Services, Inc. (59-1934486); Professional Airline Maintenance Services LLC (37-1910216); Connecta Corporation (20-5157324); Peuco Finance Ltd. (N/A); Latam Airlines Perú S.A. (52-2195500); Inversiones Aéreas S.A. (N/A); Holdco Colombia II SpA (76-9310053); Holdco Colombia I SpA (76-9336885); Holdco Ecuador S.A. (76-3884082); Lan Cargo Inversiones S.A. (96-9696908); Lan Cargo Overseas Ltd. (85-7752959); Mas Investment Ltd. (85-7753009); Professional Airlines Services Inc. (65-0623014); Piquero Leasing Limited (N/A); TAM S.A. (N/A); TAM Linhas Aéreas S.A. (65-0773334); Aerolinhas Brasileiras S.A. (98-0177579); Prismah Fidelidade Ltda. (N/A); Fidelidade Viagens e Turismo S.A. (27-2563952); TP Franchising Ltda. (N/A); Holdco I S.A. (76-1530348) and Multiplus Corretora de Seguros Ltda. (N/A). For the purpose of these Chapter 11 Cases, the service address for the Debtors is: 6500 NW 22nd Street Miami, FL 33131.

LATAM Airlines Group S.A. (“LATAM Parent”) and its debtor affiliates, including LATAM Airlines Perú S.A. (“LATAM Perú”), as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Initial Debtors”),² each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that on July 7 and 9, 2020 (as applicable to each Subsequent Debtor, the “Subsequent Petition Date” and, together with the Initial Petition Date, as applicable to each Debtor, the “Petition Date”), additional LATAM affiliates TAM S.A., TAM Linhas Aéreas S.A., Aerolinhas Brasileiras S.A., Prismah Fidelidade Ltda., Fidelidade Viagens e Turismo S.A., TP Franchising Ltda., Holdco I S.A., Multiplus Corretora de Seguros Ltda. and Piquero Leasing Limited (the “Subsequent Debtors” and, together with the Initial Debtors, the “Debtors”) each filed a voluntary petition under chapter 11 of the Bankruptcy Code (the “Subsequent Chapter 11 Cases” and together with the Initial Chapter 11 Cases, the “Chapter 11 Cases”).

PLEASE TAKE FURTHER NOTICE that on June 9, 2021, the Debtors filed the *Motion for Entry of an Order Authorizing the Debtors to Use Property of the Debtors’ Estates in Connection with a Recapitalization of LATAM Airlines Perú, S.A.* (ECF No. 2501) (the “Motion”), seeking approval of a two-step capital reduction that offsets accumulated losses by adjusting the nominal value of LATAM Perú shares in a two-stage transaction. As of the filing of the Motion, the Debtors estimated that the first step would be effectuated in July 2021 (to offset approximately \$279 million in losses) and the second step would be effectuated in September 2021 (to offset approximately \$42 million in losses) so that net equity is greater than one-third of the paid-in capital stock (together, the “Capital Reductions”).

PLEASE TAKE FURTHER NOTICE that on July 20, 2021, the Court entered the order authorizing the Debtors to engage in the Capital Reductions and perform all obligations in connection therewith (ECF No. 2750) (the “Order”).

PLEASE TAKE FURTHER NOTICE that on August 11, 2021, pursuant to the Order, LATAM Perú adjusted the nominal value of LATAM Perú shares to offset \$282 million in accumulated losses.

PLEASE TAKE FURTHER NOTICE that the second step of the Capital Reductions was not performed in September 2021 and will instead be performed on or about November 26, 2021 and will offset \$24 million in accumulated losses.

PLEASE TAKE FURTHER NOTICE that the Debtors consulted with the Official Committee of Unsecured Creditors (the “Committee”) on the changes to the timing of the Capital Reductions and the Committee consents to such changes.

² LATAM Parent, and its Debtor and non-Debtor subsidiaries and affiliates are collectively referred to as “LATAM”.

Dated: November 22, 2021
New York, New York

/s/ Luke A. Barefoot
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